



## Department Description

The City Comptroller Department performs the general accounting and financial reporting function for the City of San Diego. The Department has eleven primary sections that service the financial accounting needs of the City. Included within its scope of responsibility are the following: financial reporting, including the Consolidated Annual Financial Report (CAFR); governmental accounting for all funds including the General Fund; payroll accounting and processing for all City employees; disbursements of all City obligations which includes vendor invoice payments and contract debts; Redevelopment Agency accounting and reporting for the City's 14 redevelopment project areas; Public Utility and other enterprise, and internal service fund accounting; long-term debt accounting and reporting; grant management and accounting for all City grants; fixed asset accounting; construction-in-progress (CIP) accounting which includes all ongoing building projects, and internal controls over financial reporting and operations.

The Department's mission is:

*To provide timely and accurate financial services and information to City management, elected officials, and the public in order to effectively manage public resources*

## Goals and Objectives

The following are the strategic goals and objectives for the Department:

### ***Goal 1: Provide accurate and timely accounting services to the City***

The Department will move toward accomplishing this goal by focusing on the following objectives:

- Organize accounting sections to provide the right level of service to each of the Department's internal customers
- Work closely with the SAP ERP Support organization to identify system risks and enhancements that improve the Department's operational effectiveness

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- Work with customer department management and staff to help develop more streamlined transaction processing workflows

## ***Goal 2: Provide high quality financial reports in a timely manner***

The Department will move toward accomplishing this goal by focusing on the following objectives:

- Continue to develop comparative interim period actual-to-budget summary financial reports for public presentation
- Develop a set of SAP summary and detail financial reports for management
- Continue to develop key metric databases and reports; push key metric reports out to management in a timely manner to allow them to gauge department performance and make real-time decisions that affect operational efficiency

## ***Goal 3: Engage in continuous improvement of the City's internal controls over financial reporting and operations***

The Department will move toward accomplishing this goal by focusing on the following objectives:

- Continue to develop process narratives and workflow documents to further define transactional processes across all operations and the key internal control elements within each process
- Develop automated and manual testing routines utilizing the SAP GRC tool; begin testing material key internal control elements
- Encourage active participation and ownership of internal control processes and monitor progress
- Maintain and monitor an audit recommendation database to ensure that all agreed-to audit recommendations get implemented across City department operations

## ***Goal 4: Hire, retain, and develop a skilled professional workforce***

The Department will move toward accomplishing this goal by focusing on the following objectives:

- Effectively monitor employee performance and set individual and group target goals
- Cross-train employees to create a flexible workforce within the Department
- Promote training and professional development to keep employee skill sets current with technical accounting issues and technology

## Service Efforts and Accomplishments

Fiscal Year 2011 has been a challenging year as issues with the SAP payroll financial interface to the general ledger prevented the Department from the timely closing of the Fiscal Year 2010 year-end financial statements and delayed its ability to produce the Comprehensive Annual Financial Report (CAFR). The Department worked with the City's Information Technology group to problem-solve and develop new software to address the posting errors. This was a highly complex task that required all of the available resources within the Department, but in the end, a solution was implemented which permanently remediated the root cause of the problems.

The fully-integrated SAP system had its advantages this year as the Department was able to use comprehensive datasets to produce two monitoring reports which were distributed to City management. These reports measured key performance metrics and executive management set target achievement goals for all City departments. The first report measured the City's ability to pay vendor invoices on-time according to the terms of the vendor purchase order or contracts. The second report measured four aspects of employee payroll submission and approval. The measurement and monitoring of this metric improved overall compliance across all City departments from 80 percent to over 90 percent (target goal is 95 percent).

The Department's efforts in internal controls were productive this year. The Department made good progress on developing process narratives and workflow documents. The Department also developed a comprehensive Master Audit Database that catalogs all open and completed audit recommendations from both external and internal audits. A series of monthly reports measures indicates the timeliness of City management's progress in implementing agreed-to

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audit recommendations. New automated and manual internal control tests were developed and implemented through the SAP Governance, Risk, and Compliance (GRC) tool. These tests measure if specific key material internal controls are operating as designed.

## Key Performance Indicators

Performance Measure	Actual FY2010	Actual FY2011
1. Percentage of invoices paid on-time citywide according to the terms established with each vendor	22%	68%
2. The cumulative number of completed internal control process narrative documents and process flow diagrams completed and posted to the City Internal Controls Document Repository	60	200
3. The number of citywide internal and external audit recommendations identified during the fiscal year	222	156
4. The number of audit recommendations completed by management during the fiscal year	153	181
5. The cumulative number of outstanding audit recommendations remaining to be completed by management at the fiscal year-end	251	209



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## Department Summary

	FY2011 Budget	FY2012 Adopted	FY2011–2012 Change
Positions	81.00	79.75	(1.25)
Personnel Expenditures	\$ 9,122,813	\$ 9,197,742	\$ 74,929
Non-Personnel Expenditures	957,237	870,482	(86,755)
<b>Total Department Expenditures</b>	<b>\$ 10,080,050</b>	<b>\$ 10,068,224</b>	<b>\$ (11,826)</b>
<b>Total Department Revenue</b>	<b>\$ 2,541,760</b>	<b>\$ 2,541,760</b>	<b>\$ -</b>

## General Fund

### Department Expenditures

	FY2011 Budget	FY2012 Adopted	FY2011–2012 Change
City Comptroller	\$ 892,276	\$ 10,068,224	\$ 9,175,948
Gov't Accounting & Grants	2,427,178	-	(2,427,178)
Gov't Accounting Fin Reporting & CAFR	2,407,417	-	(2,407,417)
Proprietary & RDA	1,689,213	-	(1,689,213)
Systems Payments & Internal Controls	2,663,966	-	(2,663,966)
<b>Total</b>	<b>\$ 10,080,050</b>	<b>\$ 10,068,224</b>	<b>\$ (11,826)</b>

### Department Personnel

	FY2011 Budget	FY2012 Adopted	FY2011–2012 Change
City Comptroller	3.00	79.75	76.75
Gov't Accounting & Grants	20.00	0.00	(20.00)
Gov't Accounting Fin Reporting & CAFR	21.00	0.00	(21.00)
Proprietary & RDA	14.00	0.00	(14.00)
Systems Payments & Internal Controls	23.00	0.00	(23.00)
<b>Total</b>	<b>81.00</b>	<b>79.75</b>	<b>(1.25)</b>

### Significant Budget Adjustments

	FTE	Expenditures	Revenue
<b>Equipment/Support for Information Technology</b> Funding allocated according to a zero-based annual review of information technology funding requirements and priority analyses.	0.00	\$ 371,882	\$ -
<b>Non-Discretionary Adjustment</b> Total expenditure allocations that are determined outside of the department's direct control. These allocations are generally based on prior year expenditure trends and examples of these include utilities, insurance, and rent.	0.00	249,334	-
<b>Reduction in Overtime</b> Reduction of overtime expenditures.	0.00	(15,836)	-
<b>Reduction of Word Processing Operator</b> Reduction of 1.00 Word Processing Operator. The reduction may cause a slight delay in the completion of current duties, with the most noticeable impact being the coverage of external phone calls and secretarial support.	(1.00)	(71,677)	-

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## Significant Budget Adjustments (Cont'd)

	FTE	Expenditures	Revenue
<b>Reduction in Travel and Training</b>	0.00	(90,390)	-
Reduction of travel and training expenditures.			
<b>Total</b>	<b>(1.00)</b>	<b>\$ 443,313</b>	<b>\$ -</b>

## Expenditures by Category

	FY2011 Budget	FY2012 Adopted	FY2011-2012 Change
<b>PERSONNEL</b>			
Salaries and Wages	\$ 5,399,539	\$ 5,526,239	\$ 126,700
Fringe Benefits	3,723,274	3,671,503	(51,771)
<b>PERSONNEL SUBTOTAL</b>	<b>\$ 9,122,813</b>	<b>\$ 9,197,742</b>	<b>\$ 74,929</b>
<b>NON-PERSONNEL</b>			
Supplies	\$ 135,989	\$ 107,611	\$ (28,378)
Contracts	284,496	259,169	(25,327)
Information Technology	471,864	371,882	(99,982)
Energy and Utilities	51,957	62,961	11,004
Other	10,931	66,859	55,928
Capital Expenditures	2,000	2,000	-
<b>NON-PERSONNEL SUBTOTAL</b>	<b>\$ 957,237</b>	<b>\$ 870,482</b>	<b>\$ (86,755)</b>
<b>Total</b>	<b>\$ 10,080,050</b>	<b>\$ 10,068,224</b>	<b>\$ (11,826)</b>

## Revenues by Category

	FY2011 Budget	FY2012 Adopted	FY2011-2012 Change
Charges for Current Services	\$ 2,516,760	\$ 2,516,760	\$ -
Other Revenue	25,000	25,000	-
<b>Total</b>	<b>\$ 2,541,760</b>	<b>\$ 2,541,760</b>	<b>\$ -</b>

## Personnel Expenditures

Job Number	Job Class	Job Title / Wages	FY2011 Budget	FY2012 Adopted	Salary Range	Total
<b>Salaries and Wages</b>						
20000010	1103	Account Audit Clerk	7.00	7.00	\$33,114 - \$39,832	\$ 280,217
20000866	1842	Accountant 2	21.00	21.00	54,059 - 65,333	1,323,252
20000007	1100	Accountant 3	13.00	14.00	59,363 - 71,760	850,900
20000102	1183	Accountant 4	13.00	12.75	66,768 - 88,982	965,439
20000024	1107	Administrative Aide 2	2.00	2.00	42,578 - 51,334	103,182
20001105	2137	Comptroller	1.00	1.00	34,694 - 207,210	154,786
20000924	1876	Executive Secretary	1.00	1.00	43,555 - 52,666	52,929
20001172	2217	Financial Operations Manager	4.00	4.00	25,376 - 148,200	525,455
20000681	1649	Payroll Audit Specialist 2	5.00	5.00	39,686 - 48,069	241,545
20000936	1886	Payroll Audit Supervisor-Auditor	1.00	1.00	47,986 - 57,949	58,238
20001182	2228	Principal Accountant	9.00	8.00	19,323 - 151,840	798,971
20000054	1133	Senior Account Audit Clerk	3.00	3.00	37,877 - 45,677	134,869
20000927	1879	Senior Clerk/Typist	1.00	0.00	36,067 - 43,514	-
		Bilingual - Regular				1,456

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## Personnel Expenditures (Cont'd)

Job Number	Job Class	Job Title / Wages	FY2011 Budget	FY2012 Adopted	Salary Range	Total
		Overtime Budgeted				35,000
<b>Salaries and Wages Subtotal</b>			<b>81.00</b>	<b>79.75</b>		<b>\$ 5,526,239</b>
<b>Fringe Benefits</b>						
		Employee Offset Savings				\$ 106,047
		Flexible Benefits				569,457
		Long-Term Disability				31,664
		Medicare				80,839
		Other Post-Employment Benefits				462,878
		Retiree Medical Trust				342
		Retirement 401 Plan				1,366
		Retirement ARC				1,997,656
		Retirement DROP				2,821
		Retirement Offset Contribution				11,095
		Risk Management Administration				76,925
		Supplemental Pension Savings Plan				253,422
		Unemployment Insurance				21,245
		Workers' Compensation				55,746
<b>Fringe Benefits Subtotal</b>						<b>\$ 3,671,503</b>
<b>Total Personnel Expenditures</b>						<b>\$ 9,196,604</b>